

**(6) Importer**

The term “importer” means any person who imports, on average, over 500,000 pounds of mushrooms annually from outside the United States.

**(7) Industry information**

The term “industry information” means information and programs that are designed to lead to the development of new markets and marketing strategies, increased efficiency, and activities to enhance the image of the mushroom industry.

**(8) Marketing**

The term “marketing” means the sale or other disposition of mushrooms in any channel of commerce.

**(9) Mushrooms**

The term “mushrooms” means all varieties of cultivated mushrooms grown within the United States for the fresh market, or imported into the United States for the fresh market, that are marketed, except that such term shall not include mushrooms that are commercially marinated, canned, frozen, cooked, blanched, dried, packaged in brine, or otherwise processed, as may be determined by the Secretary.

**(10) Person**

The term “person” means any individual, group of individuals, partnership, corporation, association, cooperative, or any other legal entity.

**(11) Producer**

The term “producer” means any person engaged in the production of mushrooms who owns or who shares the ownership and risk of loss of such mushrooms and who produces, on average, over 500,000 pounds of mushrooms per year.

**(12) Promotion**

The term “promotion” means any action determined by the Secretary to enhance the image or desirability of mushrooms, including paid advertising.

**(13) Research**

The term “research” means any type of study to advance the image, desirability, marketability, production, product development, quality, or nutritional value of mushrooms.

**(14) Secretary**

The term “Secretary” means the Secretary of Agriculture.

**(15) State and United States**

The terms “State” and “United States” include the 50 States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(Pub. L. 101-624, title XIX, §1923, Nov. 28, 1990, 104 Stat. 3855.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 6104 of this title.

**§ 6103. Issuance of orders****(a) In general**

To effectuate the declared policy of section 6101(b) of this title, the Secretary, subject to the

procedures provided in subsection (b) of this section, shall issue orders under this chapter applicable to producers, importers, and first handlers of mushrooms. Any such order shall be national in scope. Not more than one order shall be in effect under this chapter at any one time.

**(b) Procedures****(1) Issuance of an order**

The Secretary may propose the issuance of an order under this chapter, or an association of mushroom producers or any other person that will be affected by this chapter may request the issuance of, and submit a proposal for, such an order.

**(2) Publication of order**

Not later than 60 days after the receipt of a request and proposal by an interested person for an order, or when the Secretary determines to propose an order, the Secretary shall publish the proposed order and give due notice and opportunity for public comment on the proposed order.

**(3) Issuance of order**

After notice and opportunity for public comment are given, as provided in paragraph (2), the Secretary shall issue the order, taking into consideration the comments received and including in the order provisions necessary to ensure that the order is in conformity with the requirements of this chapter. Such order shall be issued and, if approved by producers and importers of mushrooms as provided in section 6105(a) of this title, shall become effective not later than 180 days following publication of the proposed order.

**(c) Amendments****(1) In general**

The Secretary, from time to time, may amend any order issued under this section.

**(2) Application of chapter**

The provisions of this chapter applicable to an order shall be applicable to amendments to the order.

(Pub. L. 101-624, title XIX, §1924, Nov. 28, 1990, 104 Stat. 3856.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 6105 of this title.

**§ 6104. Required terms in orders****(a) In general**

Each order issued under this chapter shall contain the terms and conditions prescribed in this section.

**(b) Mushroom Council****(1) Establishment and membership of Council****(A) Establishment**

The order shall provide for the establishment of, and selection of members to, a Mushroom Council that shall consist of at least 4 members and not more than 9 members.

**(B) Membership**

Except as provided for in paragraph (2), the members of the Council shall be mushroom

producers and importers appointed by the Secretary from nominations submitted by producers and importers in the manner authorized by the Secretary, except that no more than one member may be appointed to the Council from nominations submitted by any one producer or importer.

## **(2) Appointments**

### **(A) In general**

In making appointments, the Secretary shall take into account, to the extent practicable, the geographical distribution of mushroom production throughout the United States, and the comparative volume of mushrooms imported into the United States.

### **(B) Units**

In establishing such geographical distribution of mushroom production, a whole State shall be considered as a unit and such units shall be organized into 4 regions that shall fairly represent the geographic distribution of mushroom production within the United States.

### **(C) Importers**

Importers shall be represented as one region, which shall be separate from the regions established for mushrooms produced in the United States.

### **(D) Members per region**

The Secretary shall appoint one member from each region if such region produces or imports, on average, at least 35,000,000 pounds of mushrooms annually.

### **(E) Additional members**

Subject to the nine-member limit on the number of members on the Council provided in paragraph (1), the Secretary shall appoint an additional member to the Council from a region for each additional 50,000,000 pounds of production or imports per year, on average, within the region.

### **(F) Average annual production**

For purposes of this paragraph, in determining average annual mushroom production in each of the 4 regions of the United States established under this paragraph, the Secretary shall only consider mushrooms produced by producers covered by this chapter, as defined in section 6102(11) of this title.

### **(G) Failure to nominate**

If producers and importers fail to nominate individuals for appointment, the Secretary may appoint members on a basis provided for in the order.

## **(3) Terms; compensation**

### **(A) Terms**

The term of appointment to the Council shall be for 3 years, except that the initial appointments shall to the extent practicable be proportionately for 1-year, 2-year, and 3-year terms.

### **(B) Compensation**

Council members shall serve without compensation but shall be reimbursed for their

expenses incurred in performing their duties as members of the Council.

## **(c) Powers and duties of Council**

The order shall define the powers and duties of the Council, which shall include the following powers and duties—

(1) to administer the order in accordance with its terms and provisions;

(2) to make rules and regulations to effectuate the terms and provisions of the order;

(3) to appoint members of the Council to serve on an executive committee;

(4) to propose, receive, evaluate, approve and submit to the Secretary for approval under subsection (d) of this section budgets, plans, and projects of mushroom promotion, research, consumer information, and industry information, as well as to contract and enter into agreements with appropriate persons to implement such plans or projects;

(5) to develop and propose to the Secretary voluntary quality and grade standards for mushrooms;

(6) to receive, investigate, and report to the Secretary complaints of violations of the order;

(7) to recommend to the Secretary amendments to the order; and

(8) to invest, pending disbursement under a plan or project, funds collected through assessments authorized under this chapter only in—

(A) obligations of the United States or any agency thereof;

(B) general obligations of any State or any political subdivision thereof;

(C) any interest-bearing account or certificate of deposit of a bank that is a member of the Federal Reserve System; or

(D) obligations fully guaranteed as to principal and interest by the United States,

except that income from any such invested funds may only be used for any purpose for which the invested funds may be used.

## **(d) Plans and budgets**

### **(1) Submission to Secretary**

The order shall provide that the Council shall submit to the Secretary for approval any plan or project of promotion, research, consumer information, or industry information.

### **(2) Budgets**

The order shall require the Council to submit to the Secretary for approval budgets on a fiscal year basis of its anticipated expenses and disbursements in the implementation of the order, including projected costs of promotion, research, consumer information, and industry information plans and projects.

### **(3) Approval by Secretary**

No plan or project of promotion, research, consumer information, or industry information, or budget, shall be implemented prior to its approval by the Secretary.

## **(e) Contracts and agreements**

### **(1) In general**

To ensure efficient use of funds, the order shall provide that the Council may enter into

contracts or agreements for the implementation and carrying out of plans or projects of mushroom promotion, research, consumer information, or industry information, including contracts with producer organizations, and for the payment of the cost thereof with funds received by the Council under the order.

**(2) Requirements**

Any such contract or agreement shall provide that—

(A) the contracting party shall develop and submit to the Council a plan or project together with a budget or budgets that shall show estimated costs to be incurred for such plan or project;

(B) the plan or project shall become effective on the approval of the Secretary; and

(C) the contracting party shall keep accurate records of all of its transactions, account for funds received and expended, make periodic reports to the Council of activities conducted, and make such other reports as the Council or the Secretary may require.

**(3) Producer organizations**

The order shall provide that the Council may contract with producer organizations for any other services. Any such contract shall include provisions comparable to those provided in subparagraphs (A), (B), and (C) of paragraph (2).

**(f) Books and records of Council**

**(1) In general**

The order shall require the Council to—

(A) maintain such books and records (which shall be available to the Secretary for inspection and audit) as the Secretary may prescribe;

(B) prepare and submit to the Secretary, from time to time, such reports as the Secretary may prescribe; and

(C) account for the receipt and disbursement of all funds entrusted to the Council.

**(2) Audits**

The Council shall cause its books and records to be audited by an independent auditor at the end of each fiscal year, and a report of such audit to be submitted to the Secretary.

**(g) Assessments**

**(1) Collection and payment**

**(A) In general**

The order shall provide that each first handler of mushrooms for the domestic fresh market produced in the United States shall collect, in the manner prescribed by the order, assessments from producers and remit the assessments to the Council.

**(B) Importers**

The order also shall provide that each importer of mushrooms for the domestic fresh market shall pay assessments to the Council in the manner prescribed by the order.

**(C) Direct marketing**

Any person marketing mushrooms of that person's own production directly to consumers shall remit the assessments on such

mushrooms directly to the Council in the manner prescribed in the order.

**(2) Rate of assessment**

The rate of assessment shall be determined and announced by the Council and may be changed by the Council at any time. The order shall provide that the rate of assessment—

(A) for the first year of the order, may not exceed one-quarter cent per pound of mushrooms;

(B) for the second year of the order, may not exceed one-third cent per pound of mushrooms;

(C) for the third year of the order, may not exceed one-half cent per pound of mushrooms; and

(D) for the following years of the order, may not exceed one cent per pound of mushrooms.

**(3) Use of assessments**

The order shall provide that the assessments shall be used for payment of the expenses in implementing and administering this chapter, with provision for a reasonable reserve, and to cover those administrative costs incurred by the Secretary in implementing and administering this chapter, except for the salaries of Government employees incurred in conducting referenda.

**(4) Limitation on collection**

No assessment may be collected on mushrooms that a first handler certifies will be exported as mushrooms.

**(h) Prohibition**

The order shall prohibit any funds received by the Council under the order from being used in any manner for the purpose of influencing legislation or governmental action or policy, except that such funds may be used by the Council for the development and recommendation to the Secretary of amendments to the order as prescribed in this chapter and for the submission to the Secretary of recommended voluntary grade and quality standards for mushrooms under the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.).

**(i) Books and records**

**(1) In general**

The order shall require that each first handler and importer of mushrooms maintain, and make available for inspection, such books and records as may be required by the order and file reports at the time, in the manner, and having the content prescribed by the order.

**(2) Availability to Secretary**

Such information shall be made available to the Secretary as is appropriate for the administration or enforcement of this chapter, the order, or any regulation issued under this chapter.

**(3) Confidentiality**

**(A) In general**

Except as otherwise provided in this chapter, all information obtained under paragraph (1) shall be kept confidential by all officers and employees of the Department and

the Council, and agents of the Council, and only such information so obtained as the Secretary considers relevant may be disclosed to the public by them and then only in a suit or administrative hearing brought at the request of the Secretary, or to which the Secretary or any officer of the United States is a party, and involving the order.

**(B) Limitations**

Nothing in this paragraph may be construed to prohibit—

(i) the issuance of general statements, based on the reports, of the number of persons subject to the order or statistical data collected therefrom, which statements do not identify the information furnished by any person; or

(ii) the publication, by direction of the Secretary, of the name of any person violating the order, together with a statement of the particular provisions of the order violated by such person.

**(4) Availability of information**

**(A) In general**

Except as otherwise provided in this chapter, information obtained under this chapter may be made available to another agency of the Federal Government for a civil or criminal law enforcement activity if the activity is authorized by law and if the head of the agency has made a written request to the Secretary specifying the particular information desired and the law enforcement activity for which the information is sought.

**(B) Penalty**

Any person knowingly violating this subsection, on conviction, shall be subject to a fine of not more than \$1,000 or to imprisonment for not more than 1 year, or both, and if an officer or employee of the Council or the Department, shall be removed from office.

**(5) Withholding information**

Nothing in this chapter shall be construed to authorize the withholding of information from Congress.

**(j) Other terms and conditions**

The order also shall contain such terms and conditions, not inconsistent with this chapter, as are necessary to effectuate this chapter, including provisions for the assessment of a penalty for each late payment of assessments under subsection (g) of this section.

(Pub. L. 101-624, title XIX, §1925, Nov. 28, 1990, 104 Stat. 3857; Pub. L. 102-237, title VIII, §803(1), Dec. 13, 1991, 105 Stat. 1882.)

REFERENCES IN TEXT

The Agricultural Marketing Act of 1946, referred to in subsec. (h), is title II of act Aug. 14, 1946, ch. 966, 60 Stat. 1087, as amended, which is classified generally to chapter 38 (§1621 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1621 of this title and Tables.

AMENDMENTS

1991—Subsec. (h). Pub. L. 102-237 substituted “governmental” for “government”.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 6102 of this title.

**§ 6105. Referenda**

**(a) Initial referendum**

**(1) In general**

Within the 60-day period immediately preceding the effective date of an order issued under section 6103(b) of this title, the Secretary shall conduct a referendum among mushroom producers and importers to ascertain whether the order shall go into effect.

**(2) Approval of order**

The order shall become effective, as provided in section 6103(b) of this title, if the Secretary determines that the order has been approved by a majority of the producers and importers voting in the referendum, which majority, on average, annually produces and imports into the United States more than 50 percent of the mushrooms annually produced and imported by all those voting in the referendum.

**(b) Succeeding referenda**

**(1) Determination concerning order**

**(A) In general**

Effective 5 years after the date on which an order becomes effective under section 6103(b) of this title, the Secretary shall conduct a referendum among mushroom producers and importers to ascertain whether they favor continuation, termination, or suspension of the order.

**(B) Request for referendum**

Effective beginning 3 years after the date on which an order becomes effective under section 6103(b) of this title, the Secretary, on request of a representative group comprising 30 percent or more of the number of mushroom producers and importers, may conduct a referendum to ascertain whether producers and importers favor termination or suspension of the order.

**(2) Suspension or termination**

If, as a result of any referendum conducted under paragraph (1), the Secretary determines that suspension or termination of an order is favored by a majority of the producers and importers voting in the referendum, which majority, on average, annually produces and imports into the United States more than 50 percent of the mushrooms annually produced and imported by all those voting in the referendum, the Secretary shall—

(A) within 6 months after making such determination, suspend or terminate, as appropriate, collection of assessments under the order; and

(B) suspend or terminate, as appropriate, activities under the order in an orderly manner as soon as practicable.

**(c) Manner**

Referenda conducted pursuant to this section shall be conducted in such a manner as is determined by the Secretary.

(Pub. L. 101-624, title XIX, §1926, Nov. 28, 1990, 104 Stat. 3861.)